OGLETREE, DEAKINS, NASH,
SMOAK & STEWART, P.C.
MARCUS A. MCDANIEL, State Bar No. 151357
marcus.mcdaniel@ogletreedeakins.com
LESLIE E. WALLIS, State Bar No. 128435
leslie.wallis@ogletreedeakins.com
633 West Fifth Street, 53rd Floor
Los Angeles, California 90071
Telephone: (213) 239-9800
Facsimile: (213) 239-9045

Attorneys for Plaintiff
HANLEY-WOOD, LLC

UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF CALIFORNIA

HANLEY-WOOD, LCC, a Delaware limited liability company, Plaintiff, v. THE RYNESS COMPANY, a California corporation, Defendant.	Case No. 08 CV 0186 DMS WMc **JOINT MOTION FOR DISMISSAL WITH PREJUDICE**

RECITALS

A. On January 30, 2008, Hanley Wood LLC ("Hanley Wood") commenced this action (the "Action") by filing a Complaint herein against The Ryness Company ("Ryness"). The Complaint alleges that Ryness had failed to make certain payments that were due and owing under a Proprietary Information and License Agreement, dated as of January 20, 2006 (the "2006 License Agreement").

B. Ryness has filed an Answer in the Lawsuit, denying that it has breached the 2006 License Agreement and disputing the amounts which Hanley Wood claims to be owed thereunder.

C. On April 9, 2008, the parties entered into a settlement agreement (the "Settlement Agreement"), resolving their dispute on the terms and conditions set forth therein. Pursuant to the Settlement Agreement, Ryness agreed to pay Hanley Wood $540,000 in settlement of Hanley Wood's claims. Under the terms of the Settlement Agreement, Ryness is required to pay $165,000 to Hanley Wood upon signing of the Settlement Agreement, with the remaining balance of $375,000 (the "Settlement Balance") to be paid in 12 equal quarterly payments of $31,250 each, beginning on August 15, 2008 and continuing each November 15, February 15 and May 15 until the Settlement Balance is paid in full.

D. Pursuant to the terms of the Settlement Agreement, the parties agreed that, upon the occurrence of an Event of Default (as defined in the Settlement Agreement), a Stipulated Judgment and Order in the form of Exhibit A hereto (the "Stipulated Judgment"), shall be entered without further notice against Ryness and in favor of Hanley Wood for the unpaid Settlement Balance.

JOINT MOTION

THEREFORE, the parties, by and through their counsel of record jointly request that the Court enter the following orders:

1. This action is dismissed with prejudice and without costs to either party.

2. Upon the occurrence of an Event of Default, the Stipulated Judgment shall be entered without further notice against Ryness and in favor of Hanley Wood for the unpaid Settlement Balance.

3. The Court shall retain jurisdiction over this matter for purposes of enforcing this Stipulation and Order and the Stipulated Judgment.

DATED: May 20, 2008

OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.

By: /s/ Marcus A. McDaniel
Marcus A. McDaniel

Attorneys for Plaintiff
HANLEY-WOOD, LLC

DATED: May 20, 2008

SHEPPARD, MULLIN, RICHTER & HAMPTON, LLP

By: /s/ Dana J. Dunwoody
Dana J. Dunwoody

Attorneys for Defendant
THE RYNESS COMPANY